



PRESS RELEASE
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For Immediate Release

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CYBER PIRATE SENTENCED TO SIXTY MONTHS' IMPRISONMENT

TAMPA -- Yesterday, United States District Judge James S. Moody sentenced **STEVEN R. FRAZIER** to sixty months' imprisonment for conspiracy to manufacture, sell and distribute electronic devices, which are known to primarily be used in the unlawful decryption of satellite television signals. Frazier's sentence includes three years of supervised release and payment of \$180,000,000.00 in restitution to the corporate victims at a rate of \$500.00 per month. In determining Frazier's sentence, the Court ruled that Frazier, through his criminal conduct, intended that the victims, Direct TV and Echostar (Dish TV) suffer a loss of revenue of \$900,000,000.00.

Frazier was arrested in Dallas on October 11, 2002, by agents of the Bureau of Immigration and Customs Enforcement, while he was trying to board an international flight to Mexico. Frazier originally pleaded guilty to the conspiracy count on January 10, 2003. In his plea agreement, Frazier admitted that from January 1999 through October 2002, he participated in a conspiracy to manufacture, sell and distribute electronic programer devices, which Frazier and his co-conspirators knew would be primarily used in the

unauthorized decryption of commercial, direct-to-home satellite television services. At the sentencing, the District Court focused its attention on Frazier's extensive efforts to market a highly specialized programing device, known as the "*Mikobu III*," which he helped to design and develop for the illicit cyber-pirate market on the internet.

The Court ruled that since Frazier had admitted trying to market 5,000 illicit, Mikobu III, programmers, he would be responsible under the sentencing guidelines for an intended loss of \$900,000,000.00; because each programmer was capable of causing a loss of at least \$180,000.00 per year of actual use.

The sentencing of FOSTER concludes the first step in a large multi-defendant prosecution. Currently, several companion cases await sentencing in the Tampa and Jacksonville Divisions of the Middle District of Florida.

The case was prosecuted by Assistant United States Attorneys Donald L. Hansen and Tony Peluso of the Tampa Division of the United States Attorney's Office. Agents of the Bureau of Immigration and Customs Enforcement conducted the criminal investigation.